

## Yackulic, Ted

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**From:** Phillips, Frederick (ENRD) <Frederick.Phillips@usdoj.gov>  
**Sent:** Friday, March 28, 2014 6:19 AM  
**To:** Justin D. Leonard; Yackulic, Ted; Villa, Clifford  
**Subject:** RE: ABSORBENT - EPA / Bankruptcy Estate Issues

Justin – sorry that we’ve not gotten back to you sooner -- Ted is on vacation and I’ve been completely consumed by another matter this week. The approved Settlement Agreement has not yet been returned to me. Unfortunately, the person who has to approve the settlement also supervises the Deepwater Horizon litigation and he has mostly been gone in recent weeks. I expect to have the signed agreement next week.

I believe that Ted is back on Monday. In any case, he (or Cliff) will be able to fill you in on what’s happening regarding further cleanup efforts.

Thanks,

Fred

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**From:** Justin D. Leonard [mailto:jleonard@ml-llp.com]  
**Sent:** Thursday, March 27, 2014 7:25 PM  
**To:** Yackulic, Ted; Phillips, Frederick (ENRD); Villa, Clifford  
**Subject:** Fwd: ABSORBENT - EPA / Bankruptcy Estate Issues

Ted & Fred (& Cliff),

I'm circling back on the following message/questions, because I understand that things are moving quickly in regards to the Ferry site and I want to address these issues ASAP so we're on the same page.

In case the "out of office until Thursday September 19" message I received from Ted was accurate, I'm copying Cliff as I understand he's working on these issues too.

Thanks,

Justin

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**Justin D. Leonard**  
Admitted in Oregon, Washington & Idaho



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----- Forwarded message -----

From: **Justin D. Leonard** <[jleonard@ml-llp.com](mailto:jleonard@ml-llp.com)>

Date: Tue, Mar 25, 2014 at 3:02 PM

Subject: ABSORBENT - EPA / Bankruptcy Estate Issues

To: "Yackulic, Ted" <[yackulic.ted@epa.gov](mailto:yackulic.ted@epa.gov)>, "Phillips, Frederick (ENRD)" <[Frederick.Phillips@usdoj.gov](mailto:Frederick.Phillips@usdoj.gov)>

Ted & Fred,

A few questions and requests:

1. Shawn Ryan forwarded the following EPA update re Ferry. I'd like to touch base with you regarding the Ferry and Queen situations when it is convenient.
2. Meanwhile, can you please forward a fully-executed copy of the newly-updated EPA settlement agreement as revised by the EPA for the AG's review?
3. Has the EPA settlement agreement been published for comment yet? If so, what is the timeframe?
4. I'd like confirmation from you in writing that the EPA settlement language precludes the EPA from making any further claims against the Estate. Based on our last discussions on the phone, I understand that you read the settlement as I do, that the EPA is not able to file any claim in the case -- even a claim for new response costs not covered in the last agreement. This is consistent with what the Court approved, and it seems reasonable since we're essentially using nearly all of the unaccounted-for funds of the Estate to pay a significant share of the EPA costs.

Now that the "green light" from the EPA has turned to red again (for good reasons, I'll admit), I want to make sure we don't have an issue with moving forward with the current settlement. The Trustee doesn't want to back out of the deal, but we're going to need to do so if the settlement does not confer a complete release of the Estate as we represented to the creditors and the Court.

Thanks,

Justin

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**Justin D. Leonard**

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**From:** Yackulic, Ted [mailto:[yackulic.ted@epa.gov](mailto:yackulic.ted@epa.gov)]  
**Sent:** Friday, March 21, 2014 2:16 PM  
**To:** Shawn Ryan  
**Cc:** Villa, Clifford; [Frederick.Phillips@USDOJ.GOV](mailto:Frederick.Phillips@USDOJ.GOV)  
**Subject:** Ferry Street Q

Shawn,

I understand EPA anticipate that it will start work at Ferry by Wednesday or Thursday next week, estimate that the work may take up to 10 days, and cost over \$200,000 if performed by EPA and its contractors. You've indicated that your client may want to perform the work. Let me if this is the case as soon as you can. Consistent with the recent work at Queen, EPA would insist that the work be performed pursuant to an administrative order which would be issued early next week. Thanks.

Ted Yackulic, Assistant Regional Counsel

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